IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

IN RE: SANDRIDGE ENERGY, INC. SHAREHOLDER DERIVATIVE LITIGATION	No. CIV-13-102-W Relating to All Derivative Actions

DEFENDANT TOM L. WARD'S OPPOSITION TO SHAREHOLDER DALE HEFNER'S MOTION FOR SETTLEMENT-RELATED DISCOVERY

Steven M. Bauer (admitted *pro hac vice*)
Margaret A. Tough (admitted *pro hac vice*)
Latham & Watkins LLP
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Telephone: (415) 391-0600
Facsimile: (415) 395-8085

J. Christian Word (admitted *pro hac vice*)
Christopher J. Fawal (admitted *pro hac vice*)
Latham & Watkins LLP
555 Eleventh Street, NW, Suite 1000
Washington, DC 20004
Telephone: (202) 637-2200
Facsimile: (202) 637-2201

George S. Corbyn, Jr. OBA # 1910
Corbyn Hampton Law Firm
211 North Robinson, Suite 1910
One Leadership Square
Oklahoma City, Oklahoma 73102
Telephone: (405) 239-7055
Facsimile: (405) 702-4348

Attorneys for Tom L. Ward

Defendant Tom L. Ward hereby submits his Opposition to Shareholder Dale Hefner's Motion for Settlement-Related Discovery [Dkt. 336]. In his Mr. Hefner's motion (the "Motion") Mr. Hefner moves the Court for three broad categories of discovery so that he may ostensibly help this Court assess the fairness of the settlement reached between the Independent Directors, Mr. Ward, and Plaintiffs, and with the assistance of Hon. Layn Phillips. Yet Mr. Hefner presents the Court with no basis to support his demand for discovery into the settlement process. Mr. Ward supports the arguments presented by the Plaintiffs, the SLC and the Independent Director Defendants in their oppositions filed on this same date.[1] In addition, Mr. Ward opposes Mr. Hefner's motion for the following reasons:

It is black letter law that "[a] court should not allow discovery into the settlement-negotiation process unless the objector makes a preliminary showing of collusion or other improper behavior." *Manual for Complex Litigation*, (Fourth) § 21.643 at 327-28 (2004). Courts in this Circuit routinely reject requests for settlement discovery absent a presentation of credible evidence supporting an inference of collusion between the settling parties. *See, e.g.*, *Epstein v. Wittig*, 2005 WL 3276390 at *7 (D. Kan. Dec. 2, 2005) (rejecting request for discovery into derivative suit settlement negotiations; such discovery is "only proper where the party seeking it lays a foundation by adducing from other sources evidence indicating that the settlement may be collusive") (internal quotations and citations omitted); *Hershey v. ExxonMobil Oil Corp.*, 2012 WL 4758040 at *2 (D. Kan. Oct. 5, 2012) (rejecting discovery request into settlement negotiations because party "presented no credible evidence suggesting collusion on the part of the plaintiff and ExxonMobil" and his claims were "unjustified and purely speculative"); *see also Vollmer v. Publishers Clearing House*, 248 F.3d 698, 708 (7th Cir. 2001)

[1] Mr. Ward likewise supports the positions taken by the Independent Directors, the SLC, and Plaintiffs in their response to Mr. Hefner's objections to the fairness of the settlement. Mr. Ward refers the Court to the response briefs of those parties filed on this date.

("[d]iscovery of settlement negotiations….is only proper where the party seeking it lays [an evidentiary] foundation…that the settlement may be collusive"). Mr. Hefner fails to present any evidence of collusion. Indeed, his Motion is largely silent on this point despite the fact that he bears the burden of this showing. At most, Mr. Hefner describes the terms of the settlement and implies that collusion should be inferred from those terms alone. Motion at 12-13. In that case, however, the Court can surely assess the fairness of the settlement without providing Mr. Hefner with the requested discovery.

Furthermore, the involvement of Hon. Layn Phillips as a mediator in the parties' settlement negotiations weighs against any inference of collusion. *See In re Apple Computer, Inc. Derivative Litigation*, 2008 WL 4820784, at *3 (N.D. Cal. Nov. 5, 2008) (a former magistrate judge's role as mediator throughout the litigation "weigh[ed] considerably against any inference of a collusive settlement"); *see also D'Amato v. Deutsche Bank*, 236 F.3d 78, 85 (2d Cir. 2001) (denying objection to the settlement and explaining that a mediator's involvement in settlement negotiations "helps to ensure that the proceedings were free of collusion and undue pressure"). Nonetheless, Mr. Hefner's motion also ignores the involvement of Hon. Layn Phillips as a mediator in this case. The settling parties did not reach the proposed settlement in some backroom deal; settlement was the result of a protracted negotiation and with the considerable involvement of a former United States District Judge.

Finally, if the Court considers discovery proper, Plaintiffs should bear the burden of providing such discovery. All of the information Mr. Hefner has requested is in the possession of Plaintiffs' counsel. Plaintiffs represent the interests of SandRidge in this case, the same interests Mr. Hefner purports to represent. To the extent Mr. Hefner believes that SandRidge shareholder interests are not properly represented by the settlement in this case, Plaintiffs' counsel are best positioned to provide Mr. Hefner with the materials that led them to a different

conclusion. Defendants should not have to shoulder the burden of discovery so that Mr. Hefner's counsel can try to challenge the settlement in an effort to gain access to the "attorney's fee trough." *See Mars Steel Corp. v. Continental Illinois Nat. Bank and Trust Co. of Chicago*, 834 F.2d 677, 684 (7th Cir. 1987); *see also Manual for Complex Litigation*, (Fourth) § 21.643 at 327-28 (2004) ("Discovery should be minimal and conditioned on a showing of need, because it will delay settlement, introduce uncertainty, and might be undertaken primarily to justify an award of attorney's fees to the objector's counsel.").

For these reasons and the reasons outlined in the concurrent opposition briefs of the Independent Directors, the SLC, and Plaintiffs, the Court should deny Mr. Hefner's motion to obtain settlement-related discovery.

Dated: December 11, 2015

Respectfully submitted,

By */s/ J. Christian Word*

Steven M. Bauer
Margaret A. Tough
LATHAM & WATKINS LLP
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Telephone: (415) 391-0600
steven.bauer@lw.com
margaret.tough@lw.com

J. Christian Word
Christopher J. Fawal
LATHAM & WATKINS LLP
555 Eleventh St. NW, Suite 1000
Washington, DC 20004
Telephone: (202) 637-2200
christian.word@lw.com
christopher.fawal@lw.com

George S. Corbyn, Jr. OBA # 1910
Corbyn Hampton Law Firm
211 North Robinson, Suite 1910
One Leadership Square

Oklahoma City, Oklahoma 73102
Telephone: (405) 239-7055
Facsimile: (405) 702-4348

Attorneys for Tom L. Ward

CERTIFICATE OF SERVICE

It is hereby certified that copies of Tom L. Ward's Opposition to Shareholder Dale Hefner's Motion for Settlement-Related Discovery were served on December 11, 2015 as follows:

WHITTEN BURRAGE
Michael Burrage
Email: mburrage@whittenburragelaw.com
Randa Kay Reeves
Email: rreeves@whittenburragelaw.com
Reggie N. Whitten
Email: rwhitten@whittenburragelaw.com
1215 Classen Drive
Oklahoma City, Oklahoma 73103
Fax: 405-516-7859

KAPLAN FOX & KILSHEIMER LLP
Jeffrey P. Campisi
Email: jcampisi@kaplanfox.com
Matthew P. McCahill
Email: mmccahill@kaplanfox.com
Robert N. Kaplan
Email: rkaplan@kaplanfox.com
850 Third Avenue, 14th Floor
New York, New York 10022
Fax: 212-687-7714

SCOTT & SCOTT ATTORNEYS AT LAW
Amanda F. Lawrence
Email: alawrence@scott-scott.com
156 South Mail Street
P.O. Box 192
Colchester, CT 06415
Fax: 860-537-4332

SCOTT & SCOTT ATTORNEYS AT LAW
Joseph P. Guglielmo
Email: jguglielmo@scott-scott.com
405 Lexington Avenue
40th Floor the Chrysler Building
New York, New York 10174
Fax: 212-223-6334

Attorneys for Plaintiffs

ROBBINS ARROYO LLP
George C. Aguilar
Jay N. Razzouk
600 B Street, Suite 1900
San Diego, CA 92101
Telephone: (619) 525-3990

JACKSON WALKER L.L.P.
Andrew D. Graham
Email: agraham@jw.com
Mark T. Josephs
Email: mjosephs@jw.com
Edwin M. Buffmire
Email: ebuffmire@jw.com
901 Main Street, Suite 6000
Dallas, Texas 75202
Fax: 214-953-5822

GABLEGOTWALS
William A. Edmondson
Email: dedmondson@gablelaw.com
Gregory T. Metcalfe
Email: gmetcalfe@gablelaw.com
Thomas William Gruber
Email: tgruber@gablelaw.com
211 N. Robinson Avenue
Oklahoma City, Oklahoma 73102
Fax: 405-235-2875

FEDERMAN & SHERWOOD
William B. Federman
Email: wbf@federmanlaw.com
10205 North Pennsylvania Avenue
Oklahoma City, Oklahoma 73120
Fax: 405-239-2112

JAMES E. DUNN & ASSOCIATES PLLC
James E. Dunn
Email: jim@usattorney.com
1138 North Robinson Avenue
Oklahoma City, Oklahoma 73103
Fax: 405-239-1003

GLANCY BINKOW & GOLDBERG LLP
Louis N. Boyarsky
Email: lboyarsky@glancylaw.com
1925 Century Park East, Suite 2100
Los Angeles, California 90067

<table>
<tr>
<td>Facsimile: (619) 525-3991
brobbins@robbinsarroyo.com
gaguilar@robbinsarroyo.com
jrazzouk@robbinsarroyo.com

CHARLES F. ALDEN, III, OBA #0187
210 Park Avenue, Suite 2550
Oklahoma City, OK 73102
Telephone: (405) 235-5255
Facsimile: (405) 235-8130
lawyer0187@aol.com

Attorneys for Interested Party/Shareholder Dale Hefner</td>
<td></td>
</tr>
<tr>
<td>GARDERE WYNNE SEWELL LLP
Peter Scaff
Email: pscaff@gardere.com
Thomas A. Hagemann
Email: thagemann@gardere.com
1000 Louisiana, Suite 3400
Houston, Texas 77002-5011
Fax: 713-276-5555

CUTTER LAW FIRM, PLC
Andrea Treiber Cutter
Email: acutter@cutterlawfirm.com
320 S. Boston Avenue, Suite 1030
Tulsa, Oklahoma 74103
Fax: (918) 584-1425

Attorneys for Defendants 192 Investments, LLC & WCT Resources, LLC</td>
<td>FELLERS SNIDER BLANKENSHIP BAILEY & TIPPENS
Jay P. Walters
Email: jwalters@fellerssnider.com
Robert G. McCampbell
Email: rmccampbell@fellerssnider.com
Travis V. Jett
Email: tjett@fellerssnider.com
100 North Broadway Avenue, Suite 1700
Oklahoma City, Oklahoma 73102-8820
Fax: 405-232-9659

DEBEVOISE & PLIMPTON LLP
Maeve O’Connor
Email: mloconnor@debevoise.com
Edwin G. Schallert
Email: egschallert@debevoise.com
919 Third Avenue
New York, New York 10022
Fax: 212-909-6836

DEBEVOISE & PLIMPTON LLP
Scott N. Auby
Email: snauby@debevoise.com
555 13th Street Northwest
Washington, D.C. 20004
Fax: 202-383-8118

Attorneys for Special Litigation Committee Of The Board Of Directors Of Nominal Defendant SandRidge Energy Inc.</td>
</tr>
</table>

COVINGTON & BURLING C. Williams Phillips Email: cphillips@cov.com Mark P. Gimbel Email: mgimbel@cov.com 620 Eighth Avenue The New York Times Building New York, New York 10018 Fax: 646-441-9015 **COVINGTON & BURLING** Joanne Sum-Ping Email: jsumping@cov.com One Front Street San Francisco, CA 94111 Fax: 415-591-6091 **CROWE & DUNLEVY** Thomas B. Snyder Email: thomas.snyder@crowedunlevy.com Braniff Building 324 North Robinson Avenue, Suite 100 Oklahoma City, Oklahoma 73102 Fax: 405-239-6651 *Attorneys for Director Defendants*	**CONNER & WINTERS, LLP** Kiran A. Phansalkar Email: kphansalkar@cwlaw.com Mitchell D. Blackburn Email: mblackburn@cwlaw.com 211 North Robinson, Suite 1700 Oklahoma City, Oklahoma 73102 Fax: 405-232-2695 *Attorneys for Nominal Defendant SandRidge Energy Inc.*

/s/ J. Christian Word
J. Christian Word
LATHAM & WATKINS LLP